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Coordinated Care Networks

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Why Reshape? Why Now?

- Louisiana has one of the poorest health outcomes of any nation
- Care coordination is fragmented
- Access to specialists is limited
- Inappropriate utilization of services
- Overall poor return for dollars spent
- Infrastructure for major expansion in 2014

What is a Coordinated Care Network?

- *"A health care delivery system that provides a continuum of evidence-based, quality-driven health care services in a cost effective manner."*

- Builds on CommunityCARE, transitioning the Medicaid delivery system from the current fee-for-service system to primarily a fee for service/shared savings or prepaid model of care.

- Two models implemented simultaneously:
  - Coordinated Care Network – Shared Savings (CCN-S)
  - Coordinated Care Network – Prepaid (CCN-P)

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Major Differences in Existing CommunityCARE and CCNs

CommunityCARE (Current PCCM)

- Medical home for primary care only
- No incentives for keeping people well
- Quality outcomes approximately same as non-CommunityCARE

Coordinated Care Networks (CCN)

- Advanced patient-centered medical home
- Financial incentives to keep people well
- Framework for significant quality improvement

Differences in CCN Models

• Shared Savings (CCN-S)

- Provides primary care and coordinates other services
- CCN will receive monthly care management fee
  - Two tiers $14.81 & $21.16
  - CCN will reimburse $3 PMPM to the PCP
- Limited risk (Return up to 50% of enhanced primary care case management PMPM if no savings)
- Shared Savings contingent on quality
- Providers reimbursed by Medicaid on FFS schedule

• Prepaid (CCN-P)

- Provides all included services
- Monthly, risk adjusted PMPM
- Medical loss ratio - Requirement for portion of PMPM to be spent on health care services and quality initiatives
- Full risk
- Withhold portion of PMPM for not meeting quality expectations
- **Responsible for claims adjudication with prompt pay requirements**
- **Current Medicaid FFS rate is minimum reimbursement to provider**

Coverage and Benefits

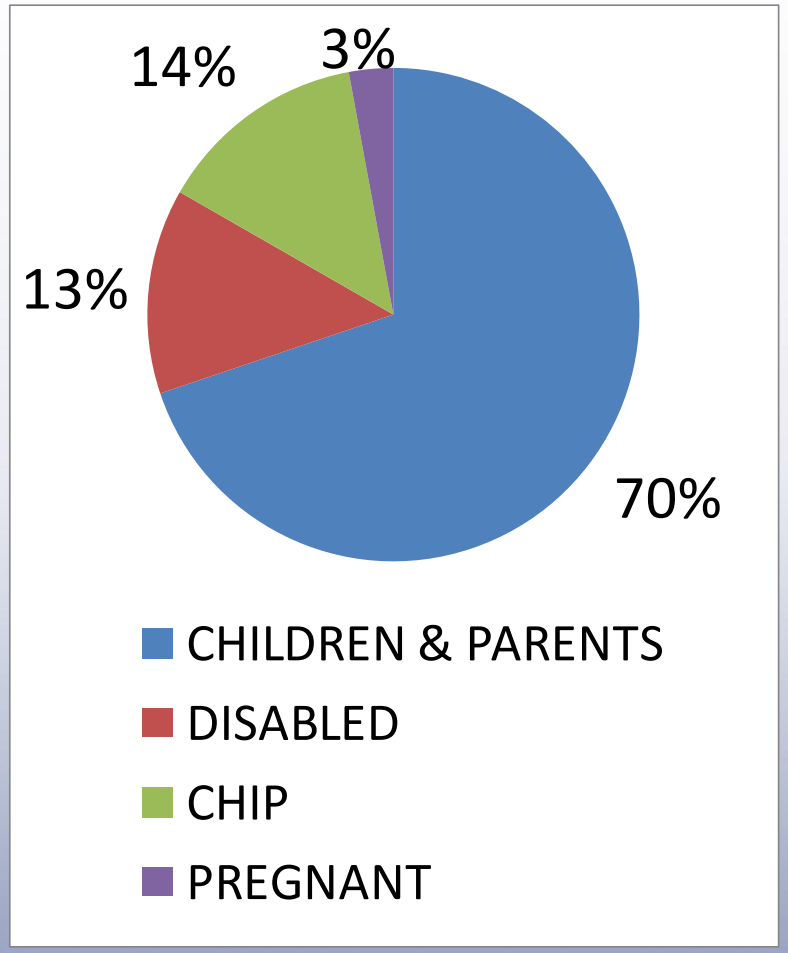
- Medicaid delivery system changes proposed will be through State Plan Amendment (SPA)
- Amount, duration and scope of services will be no less than those provided to other Medicaid eligibles under fee-for-service
- CCN-Prepaid plans may offer additional services not available under fee-for-service
- CCN-Shared coverage and benefits will be same as fee-for-service

Mandatory Enrollees

- Families & Children
  - *Medicaid children*
  - *CHIP children (<200%FPL)*
  - *Parents < 11% FPL*
  - *Pregnant Women*

- Disabled, Blind, Elderly
  - *Enrollees with a disability or blind between ages 19 & 65*
  - *People over age 65*

~ 830,000 Mandatory Enrollees



Mandatory Inclusion of Pregnant Women

- Louisiana Medicaid now pays for more than 70% of births in state
- One of the highest infant mortality rates of any state
- Focus on management of high risk pregnancies can yield quick Return on Investment
  - *Improved birth outcomes*
  - *Lower NICU costs*

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Voluntary Enrollees

- Children under age 19 receiving SSI or services through OPH Special Needs Clinics
- Foster Children and children in DSS or OJJ custody
- Native Tribal Americans who are members of a federally recognized tribe
- **We want them to receive the benefits of better care coordination & access to specialists**
  - Will be included by default but may opt out (or in) at any time
  - If they opt out of care management, they will be in fee-for-service Medicaid

About 44,000 Voluntary Enrollees

Excluded Enrollees

- Medicare dual eligibles
- *Chisholm* class members
- Persons in nursing and DD facilities
- HCBS waiver recipients, regardless of age or waiver
- Persons receiving hospice services

If status of member changes to one of the above, they will revert to FFS effective the first day of following month.

Managed Care "Carve Outs"

Carve outs will continue to be fee-for-service

- Pharmacy
- Dental
- Specialized Behavioral Health
- Hospice
- Targeted Case Management
- GME
- PCS (EPSDT and LTC)
- Nursing Facility Services
- IEP Services Billed Through School Districts

Enrollees Will Have Choice of Plan and Choice of PCP

- Existing - and new - Medicaid enrollees will be asked to choose:
  - *Either a ePCCM or MCO plan*
  - *A Primary Care Provider (PCP) within the plan*
  - *Will be linked to requested PCP if capacity exists*
- Multiple opportunities for enrollees to affirmatively select their Plan & PCP
- Providers can educate patients on their Plan affiliation
- Automatic assignment if enrollee does not make a choice, weighted to prior provider relationship

Quality Measures with CCNs

- **Access and Availability of Care**
  - *Adults Access to Preventive / Ambulatory Health Services *HEDIS*
  - *Children and Adolescents Access to PCP *HEDIS/CHIPRA*
  - *Prenatal and Postpartum Care (Timeliness of Prenatal Care and Postpartum Care) *HEDIS/CHIPRA*

** Source of Quality Measure*

Quality Measures with CCNs

- **Effectiveness of Care - 18 different measures**
- **9 measures on child / adolescent care**
  - *Childhood Immunization Status *HEDIS/CHIPR*
  - *Weight Assessment and Counseling for Nutrition and Physical Activity in Children/Adolescents *HEDIS/CHIPRA*
- **3 measures on women's health**
- **3 measures on pregnancy care and outcomes**
  - *Percent of live births weighing less than 2,500 grams *CHIPRA*
  - *Use of 17-OH Progesterone *State*
- **3 measures on chronic disease management**
  - *Controlling high blood pressure* HEDIS*
  - *Comprehensive diabetes care* HEDIS*

Quality Measures with CCNs

- **Use of Services**
  - *Well Child Visits in First 15 months of life *HEDIS/CHIPRA*
  - *Well Child Visits in the 3rd, 4th, 5th and 6th years of life *HEDIS/CHIPRA*
  - *Adolescent well care visits *HEDIS/CHIPRA*
  - *Adults well care visits *State*
  - *Ambulatory Care (ER Utilization) *HEDIS*
  - *Emergency Utilization-Average number of ED visits per member per reporting period *CHIPRA*
  - *Average number of asthma patients (1 year old) with 1 asthma related ER visit *CHIPRA*
  - *Frequency of ongoing prenatal care *HEDIS/CHIPRA*

Quality Measures with CCNs

- **Prevention Quality Indicators**
  - *Adult Asthma Admission Rate *AHRQ*
  - *CHF Admission Rate *AHRQ*
  - *Uncontrolled Diabetes Admission Rate *AHRQ*
  - *Inpatient Hospital Readmission Rate within 10 Days *State*

Quality Measures with CCNs

- **Satisfaction and Outcomes**
  - *CAHPS Health Plan Survey 4.0, Adult Version *HEDIS*
  - *CAHPS Health Plan Survey 4.0, Child Version including Children With Chronic Conditions *HEDIS/CHIPRA*
  - *Provider satisfaction *State*

So How Can We Get Better Outcomes and Still Show Savings?

- Reduction in duplicative services
- Reduction in emergency room costs
- Reduction in preterm births and neonatal costs
- Reduction in avoidable hospitalizations
- Reduction in hospital readmissions
- Improved outcomes through early detection and treatment
- Improved outcomes through management of chronic disease

CCN Network Structure

- CCN selection by DHH – both shared and prepaid – will be by RFP process
- PCPs/Specialists can participate in multiple CCNs
- Panel size cannot exceed 2,000 total members across all CCNs
- CCNs must demonstrate network adequacy to pass readiness review, including:
  - Minimum specialty/patient ratios
  - Timely access standards
  - Travel distance standards

CCN Prepaid Rates

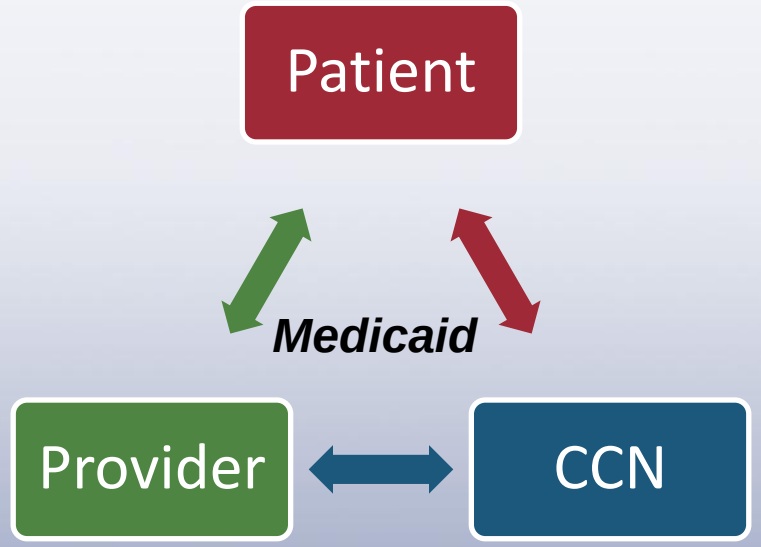
- Federal requirement that rates be actuarially sound
- Per Member Per Month (PMPM) payment based on
  - Age
  - Gender
  - Geographical Region
  - Aid Category (Children & Parents; Disabled)
- Risk adjustment factor based on health status of CCN's members

Important CCN Features

- Prepaid CCNs must pay providers no less than Medicaid FFS rate
- Capitation payment to most CCNs but CCN's contracts with providers can still be fee-for-service
- CCNs cannot require exclusivity; physicians can enroll with multiple entities
- Each CCN can design their own Physician Incentive Program (that meets federal Medicaid rules)
- Must pay 90% clean claims within 30 days of receipt

Accountability

- A fundamental problem in all of healthcare
- Carrot vs. stick
- Patient accountability can change
- Coordination of services can improve patient accountability
- Personal relationship may improve compliance



CCN Benefits to Providers

- Clinical support for patients with chronic and complex medical conditions
- Improved access to specialists for patients
- Feedback on practice specific outcomes
- Potential for providers to share savings
- Flexibility of reimbursement for providers under prepaid plan
- Contracts with CCNs and fees can be negotiated

What Happens to Existing Medicaid?

- FFS Medicaid will still be available
  - for excluded populations and voluntary population who opt out
  - for carved out services for mandatory CCN populations

- "KIDMED"/EPSDT
  - EPSDT will be provided by the CCNs
  - Will not be known by current DHH marketing name of "KIDMED"

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